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Jersey City, NJ

Informative Articles

- Business Week (October 2001) *Jersey City: Wall Street West*: After September 11, 2001, many large corporations began moving across the Hudson into Jersey City. The Jersey City Waterfront offers better office space with advanced wiring and cheaper rents. Since this time, the City of Jersey City has grown with the times and offers many businesses attractive retail/office space as well as the extras, such as high quality restaurants, shopping and arts and culture that equals that found in Manhattan.
- USA Today (April, 2007) *Model of Urban Future: Jersey City?*: This article highlights some of the changes that have occurred throughout the City since 2001, including comments by Smart Growth America.
- Hudson News (October 2009) *Wall Street firm to move 1,600 jobs to Jersey City*: The Depository Trust and Clearing Corporation has moved jobs from Manhattan to Jersey City with the help of Statewide and Citywide incentives. The City continues to encourage the growth of business.
- Jersey Journal (March, 2009), *Healy, Doria named Green Leadership Award Winners*: The City's mayor has received many "greening" awards for the City. This is one example.
- Jersey Journal (January, 2009), *City Redevelopment Chief Named Year's Best Official*: The executive director of the Jersey City Redevelopment Agency, Robert Antonicello, receives a prestigious award from the Urban Land Institute (ULI-NNJ) for his "commitment to responsible and sustainable growth that elevates the quality of life in all of the city's neighborhoods"

BusinessWeek

OCTOBER 29, 2001

NEWS: ANALYSIS & COMMENTARY

Jersey City: "Wall Street West"

After September 11, the ranks of business hopping the Hudson swell

The nickname "America's Golden Door" never really caught on. So Jersey City officials tried to tag their town "Silicon Valley East"--then the Internet Revolution petered out. But the latest monicker for Manhattan's neighbor across the Hudson--"Wall Street West"--just might stick.

After all, 32,000 displaced World Trade Center area employees are now streaming into Jersey City daily. Suddenly, Wall Street-types are wondering about Hudson River ferry schedules. They're taking refuge in the pale stone- and-glass high-rises that blossomed on the New Jersey side of the river in the late '90s. And Jersey City officials are hoping enough of the newest arrivals stick around long enough to give it the critical mass it has long sought to become a financial-center player.

Within two weeks of September 11, 10 of the largest 18 firms from the World Trade Center moved at least some of their operations west. Among the arrivals were such heavy hitters as Lehman Brothers ([LEH](#)), American Express ([AXP](#)), Deutsche Bank, and Merrill Lynch ([MER](#)). All told, the Manhattan refugees gobbled up over 1 million square feet.

For some of the dispossessed, it was simply the easiest move--they could quickly pack employees into buildings they already leased or owned. But even for others, Jersey City had plenty to offer, starting with a 6% vacancy rate on commercial space. Deutsche Bank, for example, had recently rented offices from a troubled dot-com.

Why all the empty space? Jersey City has been trying to lure Manhattan companies to its side of the river since 1996. But commercial building on the waterfront didn't start in earnest until 1998 when the city broke ground for an office tower quickly leased to U.S. Trust, Cigna ([CI](#)), and UBS/Paine Webber. With the continued boom on Wall Street, five more towers went up by 2001.

Jersey City Mayor Glenn Cunningham says the city isn't actively recruiting companies to cross the Hudson, as that would be inappropriate. "Jersey City prospers as New York City prospers," Cunningham says. "We want to see them rebound." Still, Jersey City is set to roll out a tax plan that would give a break to waterfront developers who also invest downtown.

BETTER WIRING. But for now, most Manhattan refugees are heading for the waterfront. There, tenants are finding bigger offices better wired for high-tech equipment than many available midtown Manhattan locations. "New Jersey built buildings that you just can't get in New York City," says Don Eisen, managing director at realtor Cushman Wakefield.

Things are also cheaper. Companies generally pay 50% to 70% of Manhattan prices when they set up shop in Jersey City for everything from rent to electricity. And taxes run about \$3 a square foot, vs. \$12 to \$14 in Manhattan.

The short distance from Wall Street has also been a big draw. Manhattan commuters can take a 10-minute ferry trip or a 30-minute ride on the PATH train, the century-old line that connects Manhattan to New Jersey. That's much quicker than a commute out to rival sites in White Plains, N.Y., or Connecticut. Still, travel isn't trouble-free. Morgan Fisher, an internal wholesaler at investment bank Lord, Abbett & Co., must now take four trains from the Upper East Side to work. While the ferry is faster, she says, "that would be a \$13 commute each day."

The prospect of more arrivals has revived many projects that were scaled back early this year as the economy slowed. On a riverside lot, Goldman, Sachs & Co. ([GS](#)) is building the tallest structure in New Jersey, a 40-story tower set to open in 2003. Merrill Lynch & Co. is reportedly planning a trading floor, while some renters like Deutsche Bank are said to be considering a permanent move. A total of 5.8 million square feet of office space is being built, with 14 million more planned, nearly twice the size of the Trade Center.

Indeed, there's little question that a boom has hit. At the Iron Monkey restaurant a block from the waterfront, already brisk daytime business is up 20% since September 11. Still, the host of shops, restaurants, and bars that Wall Streeters are used to remains far off. "There's not nothing, but there's close to nothing," admits Dan Frohwirth, director of real estate for the Jersey City Economic Development Council. To many a Wall Street refugee, though, that's plenty for now.

By Heather Timmons in Jersey City



Model of urban future: Jersey City?

Updated 4/16/2007

By Rick Hampson,

JERSEY CITY — Once, this was a city of browns and grays. Railroads owned a third of the land, and trains rumbled light and day to the cacophonous riverfront. Factories belched fumes and leaked chemicals. "Nobody cared," says Bob Leach, born here in 1937. "Smoke meant jobs." And those were the good years. Then, in the 1960s, the railroads went broke. Rail yards were abandoned, piers rotted, factories closed. In the 1970s alone, the city lost 14% of its population and about 9% of its jobs.

Now Jersey City has come back as its own antithesis: clean, green and growing — an example, urban planners say, of how the nation can accommodate some of the additional 100 million Americans expected by 2040 without paving over every farm, forest and meadow.

Jersey City, a model of smart growth? Even Robert Cotter, the city's planning director, says he was surprised by the notion. But because so many people here live in apartments or attached houses located near shops, offices and mass transit, they require less land, gasoline, heating oil, water, sewer pipe and other finite resources.

Smart Growth America, an advocacy group that ranks the largest metro areas by sprawl, says Jersey City is the second "least sprawling," trailing only New York City. It's part of a remarkable demographic and economic U-turn. In a region where many cities are shrinking, Jersey City in the last quarter-century has gained about 30,000 residents, 27,000 jobs and 18 million square feet of prime office space — more than all such space in downtown Atlanta, Phoenix or Miami. Another 8,000 housing units are being built, and permits have been issued for 10,000 more. With tens of thousands more homes planned over the next 25 years, Jersey City — given up for dead 30 years ago — could pass its 1930 population peak of 316,700. Once written off by the rest of the nation as another Rust Belt failure, Jersey City is now seen as instructional.

Robert Lang, director of Virginia Tech's Metropolitan Institute, says the city "won't be a model for the whole country, but it will be an important model for parts of it" — especially satellite cities near bigger, more dynamic ones: Long Beach near Los Angeles, Oakland near San Francisco, Chelsea near Boston.

"Areas that have been blighted are beds for redevelopment," says Ben Jogodnik, a vice president of Toll Brothers, a leading national home builder that just finished a 12-story condo tower here. "Decay is incredibly fertile for regrowth."

Toll Brothers is known for building big houses on big suburban plots. But it formed a division to focus on locales such as Jersey City, Jogodnik says, "because that's where our customers are going."

A winning formula

How is Jersey City doing it? Observers such as Lang, Jogodnik and James Hughes, dean of Rutgers University's school of planning, identify several elements in the city's reversal of fortune:

- **Proximity to New York.** Hughes calls Jersey City "almost a sixth borough of New York." Mayor Jeremiah Healy calls the waterfront "Wall Street West." The city is a short trip across the Hudson River from Manhattan, but its building and real estate costs are one-half to one-third of Manhattan's. This has attracted companies such as Citigroup, Merrill Lynch and Goldman Sachs, and thousands of residents who cross the Hudson to work.
- **Redevelopment and infill.** Because Jersey City had built on almost all of its land more than 50 years ago, it has to reuse, reclaim and redevelop land, including so-called brownfields (once-polluted industrial sites) and grayfields (parking lots, old strip malls).

After the Hudson riverfront's industrial economy collapsed in the 1970s, Jersey City lucked out: The land was abandoned. No one was living there to object to the construction of offices, apartments and stores on old rail yards and piers.

Similarly, the city has created the Powerhouse Arts District around an imposing but abandoned early 20th-century subway power station. Plans call for a mix of loft-style residential condos and rental units, restaurants, clubs, galleries, theaters and artists' spaces in an area just west of the waterfront.

Also, several former industrial sites contaminated with chromium have been cleaned up. Tons of soil have been removed from a former Honeywell plant on the west side and replaced with clean soil.

• **Politics.** For most of the 20th century, Jersey City's politics were reliably Democratic — and reliably corrupt. But in 1980, Democratic Mayor Gerald McCann endorsed Ronald Reagan, whose administration later gave the city a \$40 million grant for infrastructure improvements along the still-undeveloped waterfront.

In 1992, even though only 6% of the electorate was registered Republican, conservative Republican Bret Schundler, a Harvard graduate who had worked on Wall Street, was elected mayor. Corporations were lured to the city in part by Schundler's reforms and by his reputation for honesty.

Hughes, the Rutgers professor, says publicly traded national companies no longer are automatically leery of doing business in Jersey City.

• **Mass transit and infrastructure.** Unlike Sun Belt cities that must build new transportation and water lines to accommodate growth, Jersey City is rich in basic infrastructure that was designed when the city was more populous than it is now.

Take mass transit. Although the city is served by a new, \$2.2 billion state and federally financed light-rail system, it has long had subway, bus and ferry lines to Manhattan. About 40% of commuters use mass transit — second only to New York among the nation's 100 largest cities — and 9% walk to work.

• **Immigrants.** Thirty-seven percent of Jersey City residents are foreign-born, compared with 12% of all Americans. From 1970 to 1980, foreign-born residents jumped 45%, an increase nine times the city's population growth rate. Dozens of different languages are spoken here, and the city is home to one of the largest Arab Muslim communities in the nation.

Immigrants include wealthy Asian émigrés who are snapping up apartments at the still-rising Trump Plaza tower, which will be New Jersey's tallest residential building, Indian business owners who have established a "Little Bombay," and low-income Central Americans who work as domestics and manual laborers.

• **Density.** Cotter, the planning director, half jokes that Jersey City has earned its green reputation largely "by piling people on top of each other."

Among the largest U.S. cities, only New York has a higher population density than Jersey City. Nationally, 64% of homes are free-standing, single-family houses; in Jersey City, the figure is only 8%.

Jersey City's repopulation fits the state's policy of fighting sprawl and preserving open space. "We really have stemmed sprawl and forced development into some of the older urban areas," Hughes says.

And he says it's not just New Jersey: "In the whole Northeast now, part of the political culture is to slow down growth." As Sun Belt boom states such as North Carolina continue to grow — to get more "Jersified," as Hughes puts it — they'll come around, too, he says.

The Beacon on the hill

Last year, Caitlin Coan and Scott Young, who rent in a tower on Jersey City's waterfront, took a walk west — under an elevated highway, past a vocational high school and public housing project. They wanted to check out what Coan calls "that crazy hospital on the hill."

This was the former Jersey City Medical Center, a cluster of Art Deco buildings on a rise in the center of the city, far

from the booming waterfront.

Now the medical center was becoming The Beacon condominium complex, one of the nation's largest historic renovation projects.

Most of it was built during the Great Depression. In 1932, Jersey City's most famous mayor, Frank Hague, helped elect Franklin Roosevelt president. In return, he got federal money to help build the hospital complex.

Hague, the history of Jersey City clearly documents, was a master of vote fraud, extortion and intimidation who told city workers how much to kick back to his political machine, whom to vote for and what newspaper to buy. He once had his police dump Socialist Party leader Norman Thomas on a Manhattan sidewalk after he tried to lead a rally in Jersey City.

The medical center symbolized his power. It could be seen for miles — *The Saturday Evening Post* wrote that it rose "like a beautiful mirage ... up from the municipal rubble which is Jersey City." Its eight buildings had marble walls, terrazzo floors, etched glass, decorative moldings and glittering chandeliers.

Overbuilt and overstaffed, the center drained city finances for years. In 1988, four decades after Hague's retirement, the hospital declared bankruptcy. In 2004 it moved to a new building, leaving behind one of the biggest white elephants in America.

The city got it declared a state and national landmark and sold it to a developer for \$9.5 million and a promise to spend \$350 million to turn its huge buildings into 1,200 condos. This summer, Coan and Young will move into The Beacon, where they've purchased a one-bedroom unit.

Their willingness to move inland to find an affordable home is crucial to the city's plan to repopulate and upgrade its traditional center. The couple acknowledges they're taking a risk on an unfashionable neighborhood. "This is still an up-and-coming area," Young says. "If it doesn't get better, we'll be stuck."

In many ways, Jersey City still is two cities: waterside and inland, new and old, rich and poor. "We see buildings going up, but it doesn't do us any good," says Walter Williams, 64, an unemployed security guard who lives near The Beacon. About 19% of Jersey City residents live below the poverty line, compared with 9% statewide and 12% nationally. Crime remains a problem despite the hiring of more police. The troubled schools are under state control.

George Filopoulos of Metrovest, The Beacon's developer, says 85% of the apartments in the first two buildings have been sold, mostly to residents of the waterfront or New York, or empty-nesters from the suburbs. Studios sell in the mid-\$300,000s; a penthouse went for \$2.3 million.

The legend of Hague, softened by the years, is part of the sales pitch. "The ghost of Frank Hague will be happy," Leach says. "In his own way, he always wanted to make this a world-class city."

Cotter says The Beacon is a test of whether Jersey City can grow out beyond its golden waterfront: "This is how we're growing, and in the future it's where a lot of U.S. cities are going."

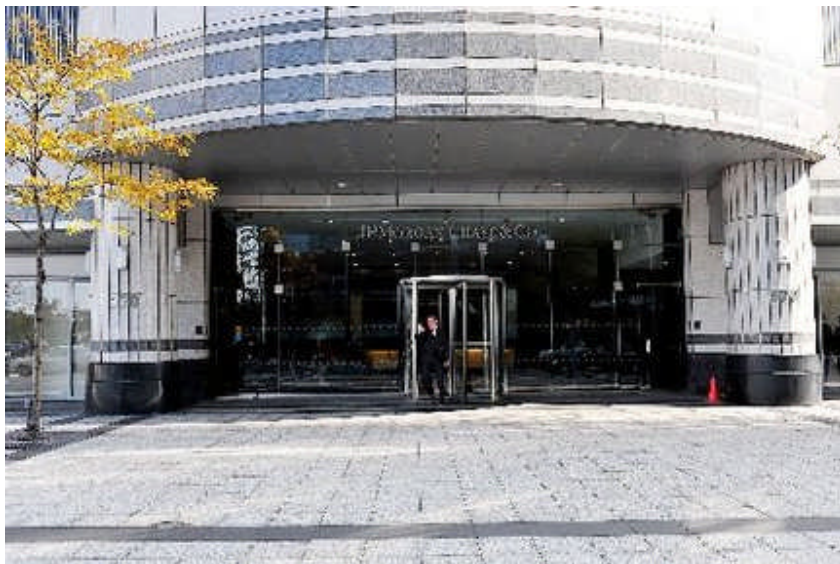
Wall Street firm to move 1,600 jobs to Jersey City

By Lisa Fleisher/Statehouse Bureau

October 13, 2009

New Jersey has persuaded a Wall Street company to move 1,600 high-paying jobs to Jersey City by offering more than \$90 million in state and local tax incentives, state and company officials said today.

The Depository Trust and Clearing Corp. will move many of its employees from its New York City offices to the Newport Office Center on the Jersey City waterfront, the company said today.



The firm plans to move the employees in 2013 into the 415,000-square-foot space.

Jersey City mayor

Jerramiah Healy exits 570

Washington Blvd. in the

Newport section of Jersey

City today, the future home

for 1,600 employees of

Manhattan-based

Depository Trust and

Clearing Corp.

The company will keep

700 employees — and the

headquarters title — at its

New York offices at 55

Water St.

Gov. Jon Corzine made an appearance in Jersey City today touting the company's move. For weeks on the campaign trail, the governor has talked about luring 1,600 jobs to Jersey City.

State officials said there was tough competition with New York City for the jobs — and ultimately New Jersey will see more tax benefits than it's giving in breaks.

“We compute that there will be approximately \$186 million in income tax paid over the 20-year period of this agreement to the state,” said Jerry Zaro, head of the New Jersey Office of Economic Growth. “That, to me, is a good deal.”

The state promised the majority of the grants— \$74.6 million — to the company in February through its Business Employment Incentive Program. The program reimburses companies for portions of the new income tax the state will collect. The average Depository Trust job will come with an \$130,000 salary, according to state documents.

Jersey City is also kicking in \$1 million in Urban Enterprise Zone relocation grants.

Also, the state today signaled it will give the company another \$14.6 million grant through a program that was part of an economic stimulus package passed this summer heavy on incentives for businesses.

The Economic Development Authority board voted today to enter a Memorandum of Understanding with DTCC and its landlords, saying it would work toward a grant called the Economic Redevelopment and Growth Grant. But the grant is so new, the “rules are not completed at this time” and “a full review of project eligibility cannot be completed,” according to the memorandum.

The item was an addition to the board's original meeting agenda.

The authority's decision drew criticism from a Trenton-based policy group, which said the state was giving up much-needed revenue.

The group, New Jersey Policy Perspective, said the state was “rushing” to push tax breaks in front of the company, “even after numerous reports about the company’s strong interest in moving to New Jersey,” the group said in a statement.

The authority said it was not acting out of ordinary procedures.

"The [memorandum] states that the EDA will undertake its best efforts to advance this project when the rules are in place and applications are available in November," authority spokesman Glenn Phillips wrote in an e-mail. "It is not unlike other MOU's that the EDA has entered into previously when undertaking major projects."

The new grant will pay a portion of the estimated \$81 million renovation to the offices, including converting parking area into office space.

Zaro said the final grant was the lynchpin needed to get the company to commit to New Jersey.

“That was the tipping point,” he said. “New York — Mayor [Mike] Bloomberg, Sen. [Chuck] Schumer — made a very, very aggressive run at DTCC. It was neck and neck. But when the governor signed the economic stimulus bill, that was the rocket fuel that propelled us over the edge.”

The company’s president and chief operating officer, William Aimetti, speaking at a press conference in Jersey City with Gov. Corzine, described his company as “the most important Wall Street firm you’ve never heard of.” The company clears trades and holds securities issues valued at \$27.6 trillion.

“New Jersey offered us a friendly business climate and convenient location,” Aimetti said.

Healy, Doria named Green Leadership Award Winners

By Ron Zeitlinger/The Jersey Journal

March 25, 2009

Jersey City Mayor Jerramiah Healy will be honored with a 2009 **Green Leadership Award** for his continued efforts to create a sustainable "green" footprint in Jersey City by the state chapter of the **U.S. Green Building Council**.

The award will be given at the third annual **Building A Greener New Jersey Gala** awards reception at 8 p.m. Thursday, May 21, 2009, at the World Headquarters of Wyndham Worldwide in Parsippany.

Other recipients being honored at the gala include Department of Community Affairs Commissioner Joseph V. Doria Jr., the former Bayonne mayor, and the New Jersey Meadowlands Commission. Doria and the NJMC are being honored with the Green Policy Award -- which is recognition for work with "green" and sustainability policy development.

The Green Leadership awards are presented annually to individuals and organizations that have demonstrated both leadership and service, as well as made a commitment and contributions, to the sustainability of the environment and "green" community transformation.

Healy was named in the community and municipality category.

"Mayor Healy belongs to a new generation of bold mayors around the country who are tackling seemingly intractable problems in order to keep our cities and state green for the future and our children," said Florence Block, executive director of the state chapter of the U.S. Green Building Council.

"I am extremely honored to receive the 2009 Green Leadership Award for our continuing efforts to keep Jersey City green for our future," Healy said in a statement. "This award acknowledges the hard work Jersey City employees have done to achieve the goals put forth in our Jersey City Green Vision. We hope other cities will be inspired to 'build green' and adopt programs that help improve the environment. I want our city to be a model for green municipal practices."

The Green Leadership awards were established to recognize outstanding environmental achievements by individuals, state, and local government.

"Jersey City has made real strides in increasing environmentally friendly programs throughout its neighborhoods. It is my hope that this award will encourage other Jersey City businesses and residents to engage in environmentally sustainable practices, and initiate their own sustainability efforts to keep our city green," Healy said.

Jersey City has achieved LEED (Leadership in Energy and Environmental Design) certification for several housing complexes and office buildings and a dozen more developments are awaiting LEED approval, city officials said. The mayor also has created a Green Building Award program to recognize excellence in the private sector.

The U.S. Green Building Council is a Washington, D.C. based nonprofit group formed in 1993. There are 315 LEED registered projects in New Jersey.

Jersey City Redevelopment Chief Named Year's Best Public Official

By **Ken Thorbourne/The Jersey Journal**

January 11, 2009, 12:14PM

Robert Antonicello, executive director of the **Jersey City Redevelopment Agency**, was recently honored as Public Official of the Year by the New Jersey District Council of the **Urban Land Institute** (ULI-NNJ).

The ULI is a worldwide organization that provides leadership in the responsible use of land and in creating and sustaining thriving communities by bringing together leaders to exchange best practices.

Appointed JCRA's chief in April 2006 by Jersey City Mayor **Jerramiah T. Healy**, Antonicello, a member of the ULI-NNJ, leads the state's oldest and largest municipal redevelopment agency.

He is committed to partnering with Jersey City in creating responsible and sustainable growth that elevates the quality of life in all of the city's neighborhoods, ULI-NNJ officials said in handing out the award.

"We try to get a possibility virus going -- it is the idea that there is possibility in everything that we do," said Antonicello. "The possibility virus is something that I feel is alive and well at our agency and in Jersey City.

"Another core principle for us is that everyone is our partner. You can't rebuild a city with a bunch of applicants," said Antonicello. "If you walk into a city and you're an applicant you're already behind the eight ball. So, what we try to do is build our partnerships as well as we can with everybody -- the architects to the builders to the developers to the bankers."

Antonicello was one of seven winners at ULI-NNJ's Fourth Annual Leadership in Land Use awards held at the Heldrich Center in New Brunswick, N.J., on Dec. 11, 2008.

Additional award winners included: Jerry Fitzgerald English Esq., Educator of the Year; Eleven80 in Newark, Project of the Year; the New Jersey Meadowlands Commission, Special Recognition for Public Policy; New Jersey Transit - Hudson-Bergen Light Rail, Special Recognition for Infrastructure; the First Avenue School in Newark, Special Recognition for Sustainable Development; and Michael Graves, FAIA, for the Lifetime Achievement award.

"Our award winners reflect the ULI mission and the ULI principles. Their businesses and projects echo the concepts of sustainability, smart growth and the utilization of resources with a smart and consistent approach that are the hallmark of ULI," said Lawrence Jacobs of the law firm Wilentz, Goldman and Spitzer, chair of ULI-NNJ. "Recognition of these projects and principles is important to the real estate and land use planning areas -- now, more than ever."